



Date: August 6, 2015

To: Thomas J. Bonfield, City Manager

Through: Keith Chadwell, Deputy City Manager

From: Reginald J. Johnson, Director
Department of Community Development

Subject: Approval of Contract for Consulting and Technical Assistance
Engagement Between the City of Durham and Enterprise
Community Partners, Inc.

Executive Summary

On March 9, 2015, the City of Durham issued a Request for Qualifications (RFQ) for interested firms to assist the City with its ongoing effort to 1) develop affordable housing strategies inclusive of the transit corridor areas; 2) end homelessness; 3) to update strategies with DCD ongoing federal entitlement program responsibilities; and 4) implement staff development initiatives. The submission deadline was April 10, 2015. DCD received six responses to the RFQ.

Recommendation

The Department of Community Development recommends that City Council approve Enterprise Community Partners, Inc. as the firm selected for consulting and technical assistance engagement and authorize the City Manager to execute a contract between the City of Durham and Enterprise Community Partners, Inc. in the amount of \$101,000.00 from the General Fund for the first of two phases of consultative work.

Background

On March 9, 2015, the City of Durham issued a Request for Qualifications (RFQ) for interested firms to assist the City with its ongoing effort to 1) develop affordable housing strategies inclusive of the transit corridor areas; 2) end homelessness; 3) to update strategies with the Department of Community Development's (DCD) ongoing federal entitlement program responsibilities; and 4) implement staff development initiatives. The submission deadline was April 10, 2015. DCD received six responses to the RFQ from the following firms:

<u>Firm</u>	<u>Location</u>
Applied Real Estate Analysis, Inc.	Chicago, IL
BREE & Associates, Inc.	Durham, NC
David Paul Rosen & Associates	Oakland, CA

Enterprise Community Partners, Inc.
Mullin & Lonergan Associates
National Development Council

Columbia, MD
Pittsburg, PA
New York, NY

A review panel consisting of representatives from the Department of Community Development, Durham City-County Planning Department, Equal Opportunity/Equity Assurance Department, Department of Transportation and Self-Help Credit Union reviewed and rated each of the proposals. Each firm was evaluated on the criteria stated in the RFQ and awarded a total score. The criteria applied (possible 100 total points) were Experience and Qualifications (25 points), Experience with Entitlement/Housing Programs (25 points), Experience with Transit Oriented-Development (25 points) and Understanding Scope of Engagement (25 points). Following the completion of the review by the panel, the six respondents were scored and ranked. All six of the proposals received were deemed responsive to the RFQ. The two highest scoring firms, David Paul Rosen & Associates and Enterprise Community Partners, Inc. were invited to give a presentation to the review panel and to answer questions. Following the presentations, both firms were ranked by the review team. Enterprise Community Partners, Inc. was the top scorer and is being recommended to the City Council for approval.

Enterprise's mission is to create an opportunity for low- and moderate-income people through affordable housing in diverse, thriving communities. Since 1982, Enterprise has raised and invested nearly \$16 billion in equity, grants and loans to help build or preserve 320,000 affordable rental and for-sale homes to create vital communities and more than half a million jobs nationwide. Enterprise has led the creation of key community development programs including the Low-Income Housing Tax Credit program, HOME program and the adoption of green building standards across the affordable housing industry. Additionally, the firm has experience in transit oriented development. Headquartered in Columbia, MD, Enterprise has staff in 20 states including North Carolina (Durham).

If approved by the City Council as the firm selected for consulting and technical assistance engagement, Enterprise will perform the following duties:

1. Work with DCD leadership team and other key stakeholders to define measureable five-year goals for the department which will include affordable housing production and preservation and neighborhood revitalization.
2. Assess DCD's current organizational structure, programs, resource allocation and staff capacity, in light of the five-year goals identified and provide recommendations.
3. Make recommendations on outreach and communication strategies for internal and external stakeholders to educate them on affordable housing, Transit-Oriented Developments (TOD) and DCD's five-year goals and program plans.
4. Review City of Durham existing policies and regulatory framework supporting affordable housing and neighborhood revitalization and recommend policy, regulatory and financing tools to advance the creation and preservation of affordable housing in transit corridors.

5. Complete a high level program design for a downtown Durham rental assistance program under which the City would partially subsidize the rental costs for residents interested in living in market rate units in the downtown area.

In addition, Enterprise will provide the following deliverables for Phase I:

1. A presentation and Options Memo summarizing assessment results and providing alternatives for potential areas of Phase 2 work focused on: DCD organizational structure, programs, resource alignment and capacity building needs and outreach strategy.
2. A draft of defined measurable five-year goals identified during the Goal Setting process for DCD including affordable housing production and preservation and neighborhood revitalization.
3. A presentation and Options Memo summarizing assessment results and providing alternatives for potential areas of Phase 2 work focused on TOD policy and regulatory framework.
4. A Scope of Work and Budget for Phase 2 that will emanate principally from the outcomes and approved recommendations of Phase 1.
5. A memo and presentation laying out options for how to move forward with a downtown Durham rental assistance program.

Based on the outcomes of Phase 1 and the availability of allocated resources, DCD may choose to include a capacity assessment and capacity building recommendation for the Continuum of Care (CoC) in the Scope and Budget for Phase 2.

If approved, Enterprise will begin work in September 2015 and complete Phase 1 in mid-February 2016 as shown in the timetable included in the Scope of Work.

Issues/Analysis

The City of Durham has long been a provider of affordable housing and has utilized a variety of local, state and federal funding sources to construct and preserve rental and homeowner units. With the preliminary planning underway for light rail transit, the City has begun planning for Transit Oriented Development (TOD) that will provide adequate affordable housing around transit stations. Technical assistance from a consultant is needed to help DCD formulate measurable five-year goals and devise a long-term strategy that will be used to help the department reach its goal of providing affordable housing around transit stations, and reconciling this goal with the Department's on-going mission of the development of affordable housing throughout the city. In order to successfully accomplish this task, structural changes and capacity building for the DCD staff may be needed. In addition to technical assistance needed for TOD, DCD leadership will receive technical assistance in assessing the current staff capacity to carry out these new types of development initiatives once the consultant services are completed, and related training will be provided.

Alternatives

The City Council could choose not to approve Enterprise Community Partners, Inc. as the recommended firm to provide the services requested in the issued RFQ. This

would mean that additional time would be required for staff to further review qualifications of the other firms that responded and to make an alternative recommendation or issue a new RFQ for the services needed.

Financial Impact

Funds allocated in the department's General Fund are available for this project.

SDBE Summary

The Equal Opportunity/Equity Assurance Department reviewed the proposal submitted by Enterprise Community Partners, Inc. of Columbia, MD and have determined that they are in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

SDBE Requirements

No M/SDBE or W/SDBE goals were set.

Workforce Statistics

Workforce statistics for Enterprise Community Partners, Inc. are as follows:

Total Workforce	267	
Total Females	184	(69%)
Total Males	83	(31%)
Black Males	14	(5%)
White Males	63	(24%)
Other Males	6	(2%)
Black Females	45	(17%)
White Females	110	(41%)
Other Females	29	(11%)